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AMENDMENTS TO THE SPECIFICATION

[0014] A particularly preferred chemical demulsifier is a penolformaldehyde phenolformaldehyde ethoxylated alcohol having the chemical structure

wherein R is selected from the group consisting of alkanes or alkenes from 8 to 20 carbons, E is CH₂-CH₂ and P is -CH₂-CH-CH₃, n ranges from 1 to 5, m ranges from 0 to 5 and x ranges from 3 to 9. These classes of demulsifiers are preferred for the water-in-oil emulsions.